

# Trade and public health: facing the challenges of globalisation

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**It is vital that public health professionals engage with issues concerning trade organisations and treaties.**

The world is getting smaller. Increased globalisation, resulting from advances in travel and telecommunications, has facilitated an ever greater mixing of people, customs and cultures, and more rapid cross border flows of goods and services, people and capital, and ideas and information. For some this heralds increasing standards of living—including health—for all. For others it brings greater exploitation of poor countries, adverse impacts on health, and the destruction of indigenous cultures.<sup>1</sup>

But why should this concern those working in public health? Because it challenges much of the foundation of modern public health provision, health promotion activities, and public health protection.<sup>2</sup> It does this in two main ways. Firstly, trade affects the profile of risk factors for disease. For example, increased trade may lead to increased exposure to infectious disease, through the rapid cross border transmission of communicable diseases (the case of SARS and current concerns over avian flu being topical examples). Similarly, trade may increase the risk of chronic disease, through the marketing of unhealthy products and behaviours (such as tobacco and “fast food”) and increased environmental degradation. Many of these public health issues have historically been dealt with at a national or local level, but they are increasingly beyond the direct control of national public health infrastructure. This presents challenges in maintaining national public health sovereignty and security, and has been the drive behind recent developments in considering alternative means to secure the global finance, provision, and organisation of public health, such as that embodied by “global public goods”.<sup>3,4</sup>

The second main way in which trade will impact on public health is through the direct finance, provision, and distribution of health related goods, services, and people (patients and professionals). For instance, access to health related knowledge and technology, particularly new genomics developments, the

provision of new hospitals, and the availability of health professionals will all be influenced by factors beyond traditional national control.<sup>5-7</sup> In addition to these more direct affects, public health will also be indirectly affected through trade liberalisation in other areas that will indirectly impact upon health. For example, changes in import quotas for the chemicals sector will impact upon pharmaceuticals, and agreements concerning the ability of foreign finance companies to offer insurance within a country will apply equally to health insurance as to other forms of insurance.

However, the immediate challenge facing public health is that trade negotiations traditionally occur without the input of those with knowledge, experience, and indeed perhaps concern, for public health. Rather, negotiations concerning trade are the realm of those involved with trade, finance, and foreign affairs, in isolation from health professionals. This is problematic as those involved in trade negotiations typically treat health as a sector just like any other, such as telecommunications, banking, or agriculture. Conversely, health professionals and policy makers typically have very limited knowledge, experience, or indeed interest in trade issues. Yet, these trade negotiations and agreements can have profound impacts on the organisation and delivery of public health, as well as the general level and distribution of population health status. It is therefore critical that the (public) health community becomes more aware of the importance of international trade agreements, have some understanding of the terminology, and an appreciation of the possible effects on national health and public health activities if the challenge globalisation presents is to be faced in such a way that not only minimises the risks, but also capitalises upon the opportunities.

To this end, the glossary provided by Labonte and Sanger on the “World Trade Organisation and Public Health” is an important first step.<sup>8</sup> The first part of this glossary, published in this issue

of the journal, introduces the main vehicle for developing, enacting, and enforcing trade treaties, the World Trade Organisation (WTO), and specifies a range of such treaties, their probable health impact, and defines and explains key “trade talk” terms. The second, concluding, part of the glossary, to be published in the next issue of the journal, focuses more specifically on trade in services—arguably more directly relevant to health as a predominantly service industry—and intellectual property rights, and concludes with a commentary on the implications of this growth in trade liberalisation for public health. In many ways, this is a development of work jointly undertaken by the WHO and WTO to try to facilitate cross-sector and cross-discipline dialogue on these issues.<sup>9</sup>

However, although the glossary is important in outlining many of the key treaties, deciphering some of the key terminology, and raising issues of importance to debate, it falls into a common public health “trap” of approaching this issue in a rather defensive manner—that trade is a threat to public health that must be combated. This is, perhaps, quite a natural reaction. At present most of the current literature concerning trade and health consists of polemical debate, rather than an appeal to direct empirical evidence to substantiate many of the claims made either for or against increased trade liberalisation.<sup>10,11</sup> This dearth of evidence reflects three interrelated issues: that there has been no imperative to assess the data before (for instance, routine data tend not to be broken down into health sector categories that would be required); there is no existing “tool” that may be used to determine what, and how, such data may be collected; and countries often lack human and physical capital to collect the required data. In this respect, a new World Bank publication this month seeks to provide some tools for assessment and thus address some of these empirical issues.<sup>12</sup>

None the less, as we await empirical evidence, the rather defensive instinct of those working in public health is unfortunate, as while there are undeniably risks to be minimised there are also benefits that may be maximised.<sup>12</sup> Thus, rather than focusing on strategies to ensure that health is not compromised by trade treaties, one could equally focus on strategies to ensure that the opportunities for improving public health through trade are maximised.

Some of these established risks of increased trade for public health are outlined by Labonte and Sanger. For

instance, reduced trade tariffs may lead to job losses in poor nations, extended patent protection may reduce access to medicines and other technologies, and many treaties may restrict national governments' abilities to regulate for public health. But what of the opportunities? The nature of an editorial is clearly not to be expansive, but here I suggest three possible opportunities for public health presented by trade liberalisation.

Firstly, when considering these treaties, it is important to appreciate that their objectives are to ensure transparency, consistency, and predictability in international economic policies. They do this through creating a credible, reliable, and legally binding system of international trade rules, ensuring an equitable treatment of exporters, stimulating economic activity, and promoting economic development. The philosophical basis is that liberalisation will encourage a global increase in efficiency, through the traditional economic arguments relating to comparative advantage, ensuring consumers continued product availability and reducing the economic power of individual economic operators. In this sense, they have a lot to offer public health through securing stability and predictability in trading health related goods, services, and people.

For many countries trade has often been compromised through existing barriers created by regional or local trade organisations (for example, the European Union or North American Free Trade Agreement). Engaging in multilateral trade agreements is a move towards members of the WTO being able to compete on equal terms. This provides the potential, as in other areas, for increased global wellbeing through securing the benefits of comparative advantage in the production and provision of health services. Through concentrating the production of services where capital and labour are most efficiently employed, more services overall will be able to be produced for given resource inputs. This should assist developing countries in improving population health and alleviating poverty through a healthier workforce, and for developed countries should ease cost pressures and waiting lists.

Secondly, increased communication and travel creates the ability to network public health activities globally to a greater extent. For instance, the recent SARS outbreak was seen by many to be

a prime example of the negative aspects of globalisation—the rapid transmission of a new, fatal, infectious disease. However, it also showed the power that globalisation can bring to bear on dealing with such outbreaks. In a period of weeks from the first notification of the outbreak, the new virus was identified, its genome sequenced, surveillance of its spread coordinated internationally, cases quarantined, measures put in place to reduce transmission and infection, and by the end of three months the emergency was declared effectively over. This speed and breadth of reaction, coordinated across numerous laboratories and involving scores of public health professionals, would have been thought impossible only a decade or two ago.<sup>13</sup>

Thirdly, engaging with trade issues automatically leads to showing the value of public health beyond simple health status. This requires considering the analysis of public health issues and interventions in a different manner, but the advantages in securing greater investment in public health stand to be significant. For instance, a recent application of a form of macro-economic modelling to the public health problem of antibiotic resistance showed that the spill-over effects of resistance result in a greater societal impact on sectors other than the health sector.<sup>14</sup> Demonstrating the value of public health interventions on indicators of importance to those beyond the health sector, such as growth rates, balance of payments, and inflation should help raise the profile of public health endeavours and secure a greater prominence and priority in government decision making.

In summary, it is beyond doubt that we cannot view national health, or evaluate interventions and policies to improve health, in isolation from the rest of the world. If we want to make sure we minimise the risks that this poses, and capitalise on the opportunities it offers, then it is vital that public health professionals begin to engage with issues concerning trade organisations and treaties. The glossary by Labonte and Sanger is a first step in this, but I would encourage readers not to let it be the last.

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